

HOUSE BILL REPORT

HB 2577

As Reported by House Committee On:
Local Government

Title: An act relating to exempting regional growth centers from concurrency requirements.

Brief Description: Exempting regional growth centers from concurrency requirements.

Sponsors: Representative Simpson.

Brief History:

Committee Activity:

Local Government: 1/25/08, 2/4/08 [DPS].

Brief Summary of Substitute Bill

- Authorizes local governments to approve development that causes the level of service on a locally-owned transportation facility to decline below adopted standards if the proposed development is within a designated regional growth center and other conditions are met.

HOUSE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 4 members: Representatives Simpson, Chair; Takko, Vice Chair; Eddy and Nelson.

Minority Report: Do not pass. Signed by 3 members: Representatives Warnick, Ranking Minority Member; Schindler, Assistant Ranking Minority Member; Schmick.

Staff: Ethan Moreno (786-7386).

Background:

Growth Management Act/Concurrency

The Growth Management Act (GMA or Act) is the comprehensive land use planning framework for county and city governments in Washington. Enacted in 1990 and 1991, the GMA establishes numerous requirements for local governments obligated by mandate or choice to fully plan under the Act (planning jurisdictions) and a reduced number of directives

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for all other counties and cities. Twenty-nine of Washington's 39 counties, and the cities within those counties, are planning jurisdictions.

The GMA requires all counties and cities to satisfy specific designation and protection mandates. All counties and cities, for example, must designate agricultural, forest, and mineral resource lands of long-term commercial significance. These local governments also must designate and protect environmentally sensitive areas.

Planning jurisdictions are directed by the GMA to adopt internally consistent comprehensive land use plans that are generalized, coordinated land use policy statements of the governing body. Comprehensive plans must address specified planning elements, including transportation, each of which is a subset of a comprehensive plan. Planning jurisdictions must also adopt development regulations that implement and conform with the comprehensive plan.

The transportation element of a comprehensive plan must include sub-elements that address transportation mandates for forecasting, finance, coordination, and facilities and services needs. A provision of the sub-element for facilities and services needs requires planning jurisdictions to adopt level of service (LOS) standards for all locally-owned arterials and transit routes.

Planning jurisdictions must adopt and enforce ordinances prohibiting development approval if the proposed development will cause the LOS on a locally-owned transportation facility to decline below standards adopted in the transportation element. Exemptions to this prohibition may be made if improvements or strategies to accommodate development impacts are made concurrent with the development. These strategies may include:

- increased public transportation service;
- ride sharing programs;
- demand management; and
- other transportation systems management strategies.

"Concurrent with the development" means improvements or strategies that are in place at the time of development, or that a financial commitment is in place to complete the improvements or strategies within six years.

Transportation elements may also include, in addition to improvements or strategies to accommodate the impacts of development authorized under the GMA, multimodal transportation improvements or strategies that are made concurrent with the development.

Planning Terminology - Regional Growth Centers, Transfers of Development Rights

The GMA does not define or prescribe requirements for regional growth centers. The Puget Sound Regional Council's report, *Central Puget Sound Regional Growth Centers - 2002*, described regional growth centers as relatively small areas of compact development where housing, employment, shopping, and other activities are in close proximity.

A transfer of development rights (TDR) occurs when a qualifying land owner severs potential development rights from a property and transfers them to a recipient for use on a different property. Transferred rights are generally sent from areas with lower population densities to areas with higher population densities. Considerations paid for the transferred rights constitute compensation to the land owner for development that may have otherwise occurred on the property. The GMA does not prescribe requirements for TDRs, but legislation enacted in 2007, in part, requires the Department of Community, Trade and Economic Development to develop a regional TDR program that comports with the GMA.

Summary of Substitute Bill:

Counties and cities that fully plan under the GMA may approve development that causes the level of service on a locally-owned transportation facility to decline below adopted standards if:

- the proposed development is within a designated regional growth center;
- the legislative authority of the jurisdiction exempts the growth center from applicable concurrency requirements; and
- the proposed development utilizes TDRs originating from a rural area within the same or an adjoining county.

Substitute Bill Compared to Original Bill:

Adds a provision allowing jurisdictions utilizing a specific mechanism to approve development that causes the LOS on a locally-owned transportation facility to decline below adopted standards to use transferred development rights from qualifying agricultural and forest lands. Requires jurisdictions using this same development approval mechanism to adopt in their comprehensive plans and development regulations long-term strategies to support and fund mobility within the regional growth center. Specifies that comprehensive plan amendments and development regulations adopted in accordance with long-term strategy requirements must address delineated planning requirements.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony:

(In support) This bill is intended to help create a marketplace for TDRs. The state needs to grow in the most efficient way possible, and this bill will require jurisdictions to concentrate growth in places where infrastructure exists. Some cities cannot expand their transportation

infrastructure, a situation that causes local governments to reduce their LOS to a failing grade. Growth shouldn't be halted in urbanized areas, it should be focused there.

Transportation concurrency is one of the top land-use priorities of 2008 for the Association of Washington Business. The number of TDR programs in the state is limited. The language of the bill may be too narrow for it to be effective.

Support exists for efforts to expand the TDR marketplace. The bill may add more density to areas, but it may also diminish transportation efficiency. The bill should be amended to include a requirement for a multimodal transit plan.

(Opposed) The term "regional growth center" should be defined in the bill. The TDR provisions are concerning and may limit growth in certain areas. A preferable alternative to the bill would be legislation that includes optional market-based solutions rather than mandatory regulatory tools.

Persons Testifying: (In support) Representative Simpson, prime sponsor; Chris McCabe, Association of Washington Businesses; and April Putney, Futurewise.

(Opposed) Andrew Cook, Building Industry Association of Washington.

Persons Signed In To Testify But Not Testifying: None.